

House Passes Bill to Make Servicemembers' Insurance Programs More Transparent

WASHINGTON - U.S. Rep. Harry E. Mitchell today voted for, and the House of Representatives passed, H.R. 5993, the Securing America's Veterans Insurance Needs and Goals (SAVINGS) Act of 2010, to require insurance companies in the Servicemembers' Group Life Insurance (SGLI) program to be more forthright and transparent about their policies and requirements. H.R. 5993 passed the House by a bipartisan vote of 358-66 and is now pending before the Senate.

"It is unconscionable that insurance companies have been profiting at the expense of the parents or spouse of a fallen soldier," said Mitchell, who serves as Chairman of the House Committee on Veterans' Affairs Subcommittee on Oversight and Investigations. "We have a responsibility to our men and women in uniform, and this legislation is another step forward in meeting our obligation to not only our veterans, but also their families."

H.R. 5993 would require a life insurance company that is part of the Servicemembers' Group Life Insurance program to provide financial counseling to the beneficiary or other person entitled to payment upon the establishment of a valid claim and include full disclosure with respect to such payment, including advantages and disadvantages of maintaining such payment with the company versus a financial institution. The legislation was introduced in July by Rep. Debbie Halvorson (D-IL) after Bloomberg News reported that an insurance company was holding money designated for a fallen soldier's family in their corporate account, earning investment income for the insurer. [Source: [Bloomberg News](#) , July 28, 2010]

Since coming to Congress in 2007, Mitchell has been a leading advocate for our nation's veterans and their families. Last week, Mitchell praised the Senate's passage of H.R. 4505, legislation to provide parents of deceased servicemembers, commonly referred to as Gold Star Parents, with expanded access to state veterans' homes. On June 20, 2010, Mitchell voted for, and the House passed, H.R. 4505 by a bipartisan vote of 420 to 0. The legislation passed the Senate by unanimous consent last week and is now on the President's desk.

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